

AMENDED IN SENATE AUGUST 21, 2001

AMENDED IN ASSEMBLY MAY 29, 2001

CALIFORNIA LEGISLATURE—2001–02 SECOND EXTRAORDINARY SESSION

## ASSEMBLY BILL

**No. 18**

**Introduced by Assembly Member Goldberg**

May 17, 2001

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An act to add Chapter 5.7 (commencing with Section 25475) to Division 15 of the Public Resources Code, relating to energy conservation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

### LEGISLATIVE COUNSEL'S DIGEST

AB 18, as amended, Goldberg. Energy conservation: hospital efficiency program.

The Warren-Alquist State Energy Resources Conservation and Development Act requires the State Energy Resources Conservation and Development Commission to administer specified laws with respect to energy conservation.

This bill would require the commission to establish a grant program to reduce peak load demand by nonprofit public and private hospitals using thermal energy storage technologies. The bill would appropriate \$20,000,000 from the General Fund to the commission to fund the grants. The bill would require that no grant be awarded to a for-profit hospital until all eligible nonprofit hospitals have been awarded grants.

This bill would declare that it *would become operative only if, and to the extent that, the Director of Finance determines that an amount of unencumbered funds sufficient to fund all or part of the appropriation*

*made by the bill will be available from funds reverting to the General Fund after March 31, 2002, pursuant to a specified statute.*

*The bill would declare that it is to take effect immediately as an urgency statute.*

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) Over 450 hospitals with approximately 2700 buildings are  
4 required to retrofit or rebuild those buildings to meet hospital  
5 seismic safety standards.

6 (b) Hospitals are currently in the process of developing the  
7 mandated seismic safety compliance plans due January 1, 2002.

8 (c) The state is in an energy crisis and should encourage  
9 hospitals to decrease peak load by incorporating energy efficient  
10 technologies as part of the seismic retrofit plans.

11 (d) The installation of thermal energy storage systems and  
12 other related technologies at hospitals can reduce peak load  
13 consumption.

14 SEC. 2. Chapter 5.7 (commencing with Section 25475) is  
15 added to Division 15 of the Public Resources Code, to read:

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17 CHAPTER 5.7. HOSPITAL EFFICIENCY PROGRAM

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19 25475. (a) The commission shall establish a grant program to  
20 reduce peak load demand by public and private hospitals.

21 (b) Applications for the grants shall be made to the commission  
22 in a form and with the supporting material as may be prescribed  
23 by the commission.

24 (c) Applications shall be funded on a competitive basis.

25 (d) Any public or private hospital may apply to the commission  
26 for a grant to be used for thermal energy storage technologies that  
27 shift air-conditioning related energy consumption to off-peak  
28 periods, recover heat, or in some other manner can reduce load  
29 during peak demand periods. No grant shall be awarded to a  
30 for-profit hospital until all eligible nonprofit hospitals have been  
31 awarded grants.



(e) The amount of a grant shall be based on the projected average number of kilowatts reduced during peak demand periods.

25476. The commission shall adopt rules and regulations necessary to carry out the purposes of this chapter. The rules and regulations shall include provisions for the commission to audit, as determined by the commission, grants made pursuant to this chapter.

SEC. 3. The sum of twenty million dollars (\$20,000,000) is hereby appropriated from the General Fund to the State Energy Resources Conservation and Development Commission for the purpose of awarding grants pursuant to Chapter 5.7 (commencing with Section 25475) of Division 15 of the Public Resources Code.

SEC. 4. *This act shall become operative only if, and to the extent that, the Director of Finance determines that an amount of unencumbered funds sufficient to fund all or part of the appropriation made by Section 3 of this act will be available from funds reverting to the General Fund after March 31, 2002, pursuant to Section 11 of Chapter 7 of the Statutes of the 2001–02 First Extraordinary Session.*

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for hospitals to include the energy efficient technology specified in this act in the seismic retrofit plans that hospitals are required to report by January 1, 2002, thereby protecting the public health and safety with regard to the energy crisis, it is necessary that this act take effect immediately.

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